

Intergovernmental Water Board

Meeting Minutes

February 8, 2006

Members Present: Beverly Froude, Bill Scheiderich, and Dick Winn

Members Absent: Patrick Carroll, Tom Woodruff

Staff Present: Dennis Koellermeier, John Goodrich, Greer Gaston

Visitors: Henrietta Cochrun, Lisa Hamilton-Treick, Roland Signett
Lake Oswego Staff: Joel Komarek

1. *Call to Order, Roll Call and Introductions*

The meeting was called to order at 5:31 p.m.

2. *Approval of Minutes – January 11, 2006*

Commissioner Winn asked that the first sentence in the last paragraph on page four of the minutes, regarding the scoring range, be changed to reflect this was a “correction” not a “suggestion.” Commissioner Winn motioned to approve the January 11, 2006, minutes as amended, Commissioner Froude seconded the motion. The motion was approved unanimous vote.

3. *Election of a Chair and Vice-Chair*

The board considered this item after agenda item #10, Non-Agenda Items.

4. *Lake Oswego Presentation*

Public Works Director Koellermeier introduced Lake Oswego City Engineer Joel Komarek. Mr. Komarek gave a Powerpoint presentation which is on file in the IWB record. Topics covered in the presentation included:

- History of Lake Oswego’s water system development
- Lake Oswego has senior water rights, which take precedence over the state’s in-stream water rights.
- Treatment plant is located near Mary S. Young Park.
- Current water system was built in 1967.

- Tigard gets Lake Oswego water from the Waluga Reservoir by way of the Bonita Road pump station.
- The \$21.6 million improvements to “buildout” have not been done.
- IGA with Portland is being considered for an emergency water system intertie.
- Lake Oswego does not have a wholesale water contract with Portland, although the city does have connections to the Portland system.
- A new water rule requires that municipal water providers prepare a water conservation and management plan. Lake Oswego will submit its draft plan to Oregon Water Resources this August.
- Partners of the South Fork Water Board are Oregon City and West Linn.

Lake Oswego has senior water rights for 34 mgd and this is not expected to be sufficient to meet the future demand of both Tigard and Lake Oswego. The amount of surplus water available after Lake Oswego completes its buildout is not known. Mr. Komarek explained Lake Oswego’s ultimate water demand hinges on the development of the Stafford urban reserve area. Estimated water demand for this area ranges from 2 mgd to 5 mgd. Including these estimates, peak demand at buildout is expected to be around 26 mgd.

Mr. Komarek reported the treatment plant can be expanded to 32 mgd on the existing city-owned property. This treatment facility might be developed for even greater capacity since new technology enables processors to treat more water on a smaller footprint. Lake Oswego owns additional property that could be considered for future expansion.

Water pumping, transmission and treatment improvements are needed. The current intake is sized for 32 mgd. Both the raw and processed water transmission lines are deficient.

Lake Oswego’s retail water rate is 83 cents per hundred.

Remaining issues:

- How much water will Lake Oswego ultimately need when buildout is complete.
- If the Lake Oswego supply is insufficient to meet Tigard’s future needs, estimated to be 20 mgd, how does Tigard address the shortfall.

5. *Review the Intergovernmental Agreement for Joint Funding of a Water Supply System Plan with the City of Lake Oswego*

Public Works Director Koellermeier referred to the intergovernmental agreement in the board’s packet. The agreement is scheduled to go before the Lake Oswego City Council on February 21 and the Tigard City Council on February 28. The cities will split the cost of the Water Supply System Plan; estimated total cost is \$250,000. Public Works Director Koellermeier explained the plan will be comprehensive and will provide both cities with the information they need to decide if the proposed partnership will meet their needs. This means no further studies or research would be needed to implement the project.

Commissioners Scheiderich and Winn stated they had read the agreement and had no concerns. The agreement has been reviewed by both cities’ legal staff.

The timeline is to hire a consultant this spring and to have a draft plan available by the end of August. Mr. Koellermeier said the results of the Tigard/Lake Oswego plan will coincide with the decision on whether to continue as a partner in the Joint Water Commission project.

A brief discussion on the Joint Water Commission (JWC) dam-raise project ensued. Concern was expressed over a previous discussion with JWC representatives who indicated if the project were downsized to a 25-foot dam, Tigard would not be able to participate and would lose all equity in the project. Before committing more funding to the dam-raise project, clarification on this issue was requested. Commissioner Scheiderich said he would like to see the feasibility studies capitalized. Mr. Koellermeier said he would prepare some information on this topic.

Commissioner Scheiderich confirmed there was no further discussion and relayed the board was comfortable with the agreement.

6. *Status Report on the Tigard Water Building*

Public Works Director Koellermeier referred to the cost allocation memo from Tom Indieke and the Facility Needs Analysis executive summary in the board's packet. Various remodeling options and their corresponding costs were discussed briefly. The analysis determined the water building is not sufficient to accommodate the long-term needs of the Public Works Department; ultimately the department will need to relocate to a larger facility. Therefore, the less expensive remodeling options will be implemented. Money exists in the FY '05/06 budget for the remodel.

Mr. Koellermeier stated he would slow the relocation process to allow the board members time to investigate the water building ownership issue. A legal analysis of the matter was mentioned.

Commissioner Scheiderich suggested the members of the board should come back next month with any concerns they have regarding the wording of the existing intergovernmental agreement as it relates to the ownership of assets. Consensus was to discuss the matter next month.

Mr. Koellermeier said he didn't want the remodel to be postponed until the legal analysis was completed because the analysis will only determine cost allocation. Commissioner Scheiderich said he assumed other city departments were being charged overhead and this was just a question of whether the water building overhead revenue would go to the general fund or the water fund. Commissioner Scheiderich added that he didn't think the issue of rent and what fund would receive rent payments should delay the remodel. He commented the building was somewhat of a "white-elephant" and was underutilized.

Mr. Koellermeier said he would provide each member with a signed copy of the IGA.

7. Public Information Proposal from the Tigard Water District

Public Works Director Koellermeier informed the IWB that the Tigard Water District (TWD) is working on a public information campaign. Mr. Koellermeier pointed out that a campaign focused on water source decisions will undoubtedly reach beyond the TWD boundaries and the IWB will probably become involved at some point. The TWD has retained a consultant to start working on graphics.

8. Informational Items

City of Sherwood and Willamette River

Public Works Director Koellermeier reported Sherwood has taken official action and has notified the Willamette River Water Coalition (WRWC) of its intention to develop the Willamette River as their water source. Tigard is a member of the WRWC and now has 90 days to decide whether it wishes to partner in the Sherwood project. In terms of size and alignment, the Sherwood project will be designed to meet Sherwood's individual requirements as opposed to taking a more global approach. A joint meeting between the IWB and the Tigard City Council is scheduled for March 21 since the City needs to respond to the WRWC within the 90-day time frame.

Donation of a Portion of the Canterbury Site for Park Use

Mr. Koellermeier advised the TWD had decided to hire an attorney to study the issue, so the matter is currently "on hold."

9. Public Comments

Lisa Hamilton-Treick, 13565 SW Beef Bend Road, from the unincorporated Bull Mountain area, shared her thoughts on the following:

- Boundaries and authority between the Tigard Water District (TWD), Intergovernmental Water Board (IWB) and the City of Tigard are unclear.
- TWD owns valuable real estate.
- Inquired if it was the original intent, when the IWB was formed, that Bull Mountain would be incorporated into the City of Tigard and the TWD dissolved. This may need to change given the failure of the annexation measure.
- Intergovernmental agreements vary among jurisdictions.
- Supports the Canterbury property be put to public use, but is not in favor of disposing of the property. Can't anticipate future needs. Suggested the property be leased to the City of Tigard for a dollar a year.
- Tigard has over-reached its authority in the past, so wants an open, unbiased selection process for an attorney who can represent the interests of those who reside in the unincorporated area, King City and Durham.
- Wants the decisions of IWB and recommendations of the TWD take into consideration that things have changed and hoped the interests of the rate payers in the unincorporated area, King City and Durham will be represented.

Public Works Director Koellermeier explained the TWD authorized their Chair to select an attorney. Ms. Hamilton-Treick said she had attended the meeting and this was not what she heard. Commissioner Froude added she was supposed to provide the TWD Chair with the names of three attorneys and she had not yet done so.

Ms. Hamilton-Treick commented that she was surprised at the TWD meeting when the Chair said he would work with Mr. Koellermeier regarding the attorney and there was no discussion among the other board members.

10. Non-Agenda Items

None.

Note: Election of a Chair and Vice-Chair (agenda item #3) was considered at this time.

Commissioner Froude nominated Commissioner Scheiderich as board Chair, Commissioner Winn seconded the motion. The motion was approved unanimous vote.

Commissioner Winn nominated Commissioner Carroll as board Vice-Chair, Commissioner Froude seconded the motion. The motion was approved unanimous vote.

11. Next Meeting – Wednesday, March 8, 2006, 5:30 p.m. – Water Auditorium

It was also noted the IWB would have a joint meeting with the Tigard City Council at the Council's March workshop meeting.

12. Adjournment

The meeting was adjourned at 6:28 p.m.


Greer A. Gaston, IWB Recorder

Date: March 17, 2006